

Attachment to Solicitation Amendment #7, RFP #YH12-0023

Additional Clarification on Completion of Pricing Template

The State of Arizona is requesting that Offerors provide fully loaded solutions costs by key milestones. This would include all costs required to meet these milestones (software, hardware, network, development, operating or maintenance staff, data center or other space associated with the technical solutions response). Offerors are requested to allocate these total solutions cost between Business and Functional Requirements and Technical Requirements. The pricing offered to meet Business and Functional Requirements should be allocated between Mandatory, Desirable and Extra Business and Functional Requirements being provided by the Offeror. This information is required for solutions offered in association with all Business Area (B1 through B7 and B9) solutions. Offeror's pricing for the Solution offering should be provided in the format illustrated below:

Proposed Solution:**Basis of Pricing:**☐ Fixed Price☐ PMPM*☐ Combination**Solution Pricing**

Business and Functional Requirements:	Preliminary Operational Readiness	Operational Readiness	Implementation	Post - Implementation Acceptance	Ongoing Annual Maintenance	Contract Total
	12/31/2012	5/31/2013	7/1/2013	7/1/2013 - 6/30/2014	(7/1/2014 thru 12/31/2014)	
Mandatory						
Desirable						
Extra	No Charge	No Charge	No Charge	No Charge	No Charge	No Charge
Subtotal for Business and Functional Requirements						

Technical Requirements:

Total Solution Costs:

Certain Business Areas (B3 SHOP; B4 Financial Management; B5 Consumer Support; B7 Master Data Management; and B9 eLearning) have Operating Services Requirements associated with them. These are requirements that identify the Offeror's responsibilities to provide services and other support to Arizona and consumers using the AZ-HIX, as appropriate. The Offeror is requested to identify by labor category the types of staff necessary to perform and support these operating requirements. The State has asked Offerors to provide fully loaded hourly rates which include overhead, space allocations and other types of cost necessary to support the staff that will provided these operating services and present them in the format shown below:

Operational Services								
Rate Category	Fully Loaded Rate Per Hour	Number of Hours	Preliminary Operational Readiness	Operational Readiness	Implementation	Post - Implementation Acceptance	Ongoing Annual Maintenance	Contract Total
Preliminary Operational Readiness								
xxx	xxx	xx	xxx					
xxx	xxx	xx	xxx					
xxx	xxx	xx	xxx					
xxx	xxx	xx	xxx					
Subtotal			xxx					
				SHOP				
Operational Readiness								
xxx	xxx	xx		xxx				
xxx	xxx	xx		xxx				
xxx	xxx	xx		xxx				
xxx	xxx	xx		xxx				
Subtotal				xxx				
Implementation								
xxx	xxx	xx			xxx			
xxx	xxx	xx			xxx			
Subtotal					xxx			
Post - Implementation Acceptance								
xxx						xxxx		
Subtotal						xxxx		
Ongoing Operations - Year 1								
xxx	xxx	xx					xxx	
xxx	xxx	xx					xxx	
xxx	xxx	xx					xxx	
xxx	xxx	xx					xxx	
xxx	xxx	xx					xxx	
xxx	xxx	xx					xxx	
Subtotal							xxx	
Ongoing Operations - Year 2								
xxx	xxx	xx						
xxx	xxx	xx						
xxx	xxx	xx						
xxx	xxx	xx						
xxx	xxx	xx						
xxx	xxx	xx						
Subtotal								
Total Cost of Ownership for Contract Term								xxxx

If the Offeror provides their pricing using PMPM pricing methodology, the Offeror is to include the volumetrics used to provide the pricing for this Business Area. The basis of your PMPM rates should be based on x,xxx,xxx number of lives. To project the lives upon which to base the PMPM, the Offeror should utilize the projections included in

<http://www.azgovernor.gov/hix/documents/QuickLinks/ExchangePlanningGrantReportFinal.pdf>. The Offeror using PMPM pricing should provide information regarding their expectation over what period the solution will support this volume of applicants. The Offeror should also explain the savings Arizona will realize if the volume of applicants is lower than expected.